

Resilience in Volatile Times

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Volatile times?

Really? Only now?

We are used to operate in an unstable, volatile, adverse, occasionally hostile environment.

We are used to do the usual job in unusual circumstances.

This is what defines us and makes us stronger. This is how we built resilience.

“For sufferance is the badge of all our tribe”

The Merchant of Venice, Shylock, v.106

Building Resilience

Let's consider that:

It's a very
popular job

We cannot brag
like others

Who is the
'enemy' after all?

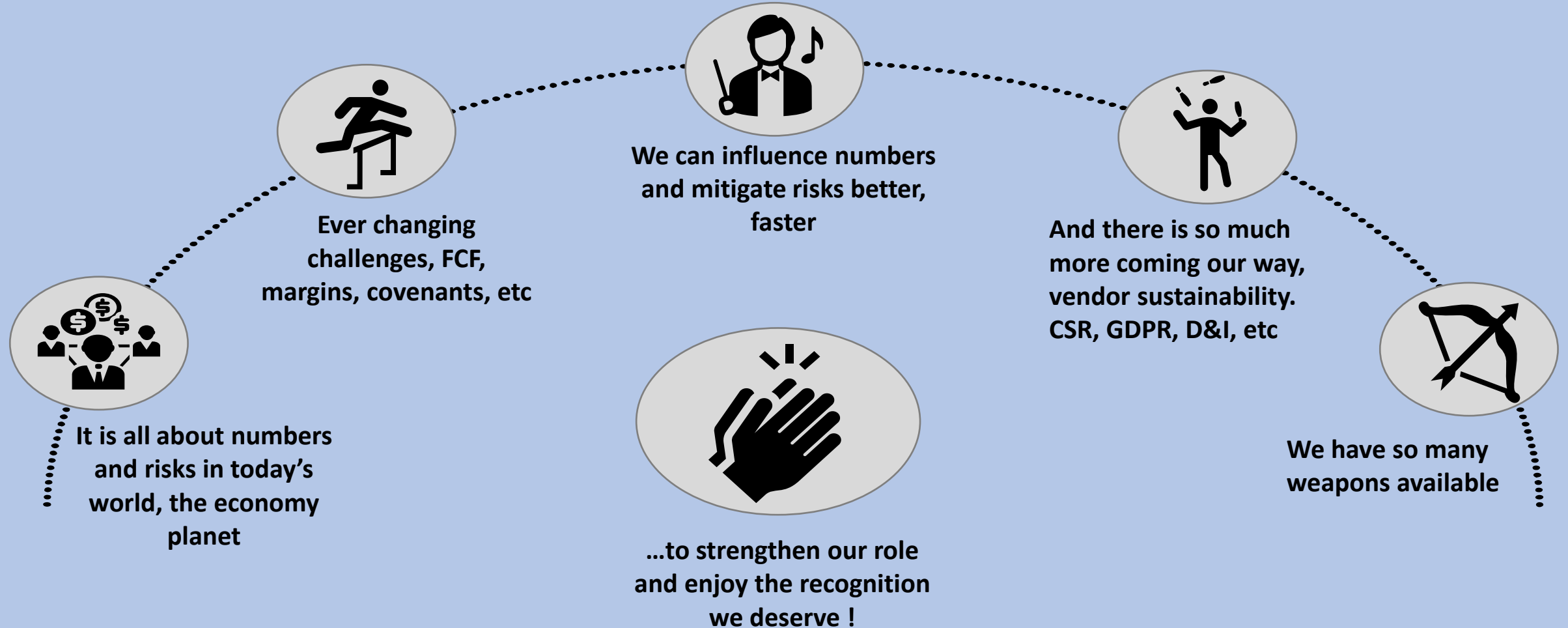
Authority vs
Responsibility?

How about
Empowerment?

A question to you all ?

This is how we built resilience. Today's volatility is just one more layer of complexity in a drastically changing world.

This is our opportunity...



Dealing with the basics

Show me the money!

Go to, then:

- Work with the CFO
- Agree on the desired improvement
- Identify the required reductions
- Discuss pain points
- Set up a Program

However,
before you
start:

Make sure you :

- Have top level blessing and involvement
- Have the buy-in from all functions
- Can create cross-departmental teams
- Secured rewards for those involved

and

Use **all possible levers and enablers** for creating value

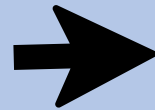
Never ignore the decisive role that **your Suppliers** can play in this effort!

The 5% - 10% approach

The pledge: Spend 5% less OPEX and 10% less CAPEX and deliver the same result

A 'Sourcing Excellence' Program:

- Working on consolidated budget lines
- Running for 3 years
- 10 cross functional teams
- Reporting savings monthly
- Performance based rewards
- Cultural consequences



The outcome:

- Annual savings of €18m to €25m
- Delivered beyond expectations
- Promoted teamwork
- Increased cost awareness
- Procurement popularity

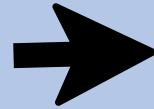


The approved budget is not available

The pledge: Despite our budget approval, we will deliver for 10% less

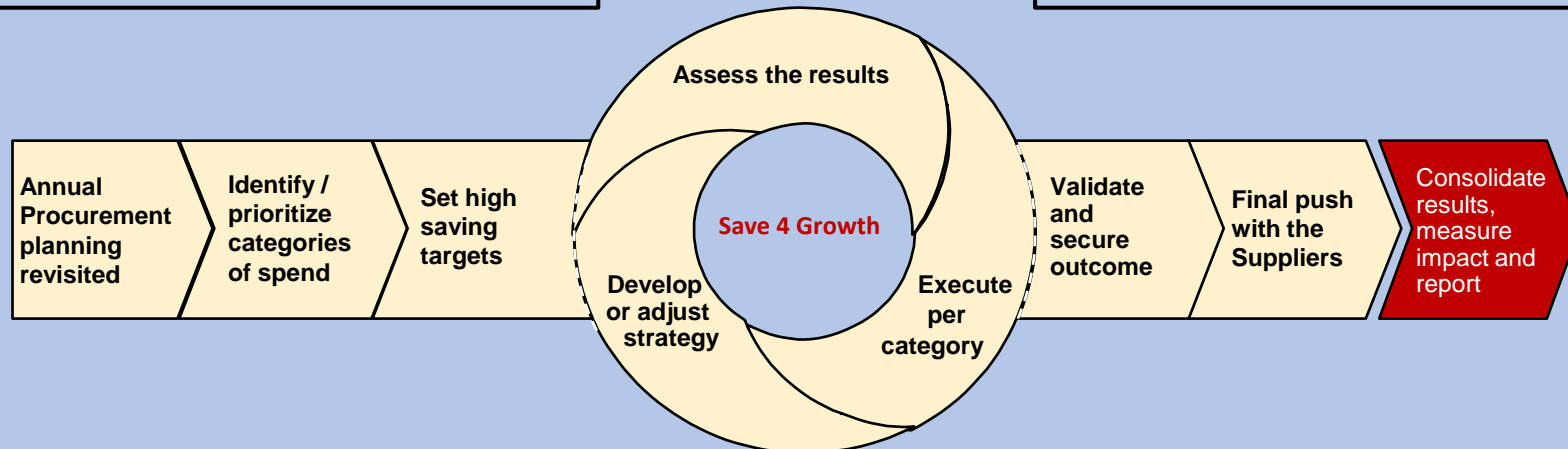
A 'Save 4 Growth' Initiative:

- Driven by Procurement
- A category-based approach
- Run for a year
- 5 cross functional teams
- Reporting savings monthly



The outcome:

- Delivered beyond expectations
- Promoted teamwork
- Increased cost awareness
- CPO is everybody's best friend, overnight

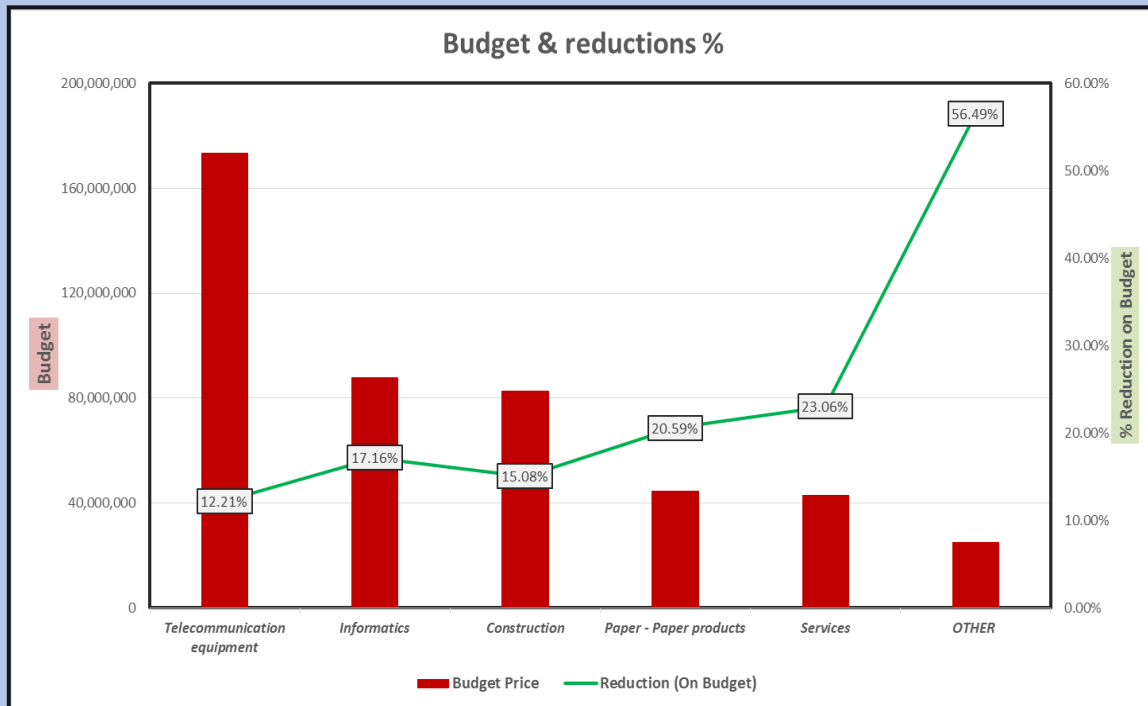


The use of Technology

The pledge: Use technology to mitigate risks and push for more

The available technology was deployed and localized. Procedures were adjusted. E-auctions became the dominant Avenue Of Procurement. The results were impressive, the benefits not only financial.

Budget & reductions %



The outcome:

- 17% average savings
- Representing €78m
- On a spend of €460m
- 1000 e-auctions
- In almost 3 years

3

The take-aways

1

Do not
hesitate, go
wild with your
targets. You
will be
surprised

2

Use all
weapons in
your arsenal,
do not forget
to involve the
Suppliers

3

Use the
available
Global
Wisdom. It is
here to
support you

Thank you for your attention!